

## **Southeast Nebraska Communications**

### **Progress Report of 5 Year Plan – Milestone Certification**

To be in compliance with the Milestone Certification of providing upon a reasonable request broadband service at actual speeds of 4 Mbps downstream/1 Mbps upstream:

- Southeast Nebraska Communications certifies that it has taken reasonable steps to provide upon a reasonable request broadband service at actual speeds of 4 Mbps downstream/1 Mbps upstream with latency suitable for real-time applications, including Voice over Internet Protocol.
- The Company provides usage capacity that is reasonably comparable to comparable offerings in urban areas.
- The Company certifies that requests for such service are met within a reasonable amount of time.

**Southeast Nebraska Communications**

**Progress Report on 5 Year Plan – Community Anchor Institutions**

Southeast Nebraska Communications does not have any newly served community anchor institutions because all anchor institutions had broadband service available to them prior to 2014.

# REDACTED - FOR PUBLIC INSPECTION

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0031. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

<b>USDA-RUS</b>  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>		<i>This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.</i> <b>BORROWER NAME</b>  Southeast Nebraska Communications, Inc.  (Prepared with Audited Data)	
<b>INSTRUCTIONS-Submit report to RUS within 30 days after close of the period.</b> For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.		<b>PERIOD ENDING</b> December, 2014	<b>BORROWER DESIGNATION</b> NE0573

## CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

**ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.**

**DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII**

(Check one of the following)

☒ All of the obligations under the RUS loan documents have been fulfilled in all material respects.

☐ There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report

Ray Joy

4/24/2015

DATE

Received & inspected

JUN 29 2015

FCC Mail Room

## PART A. BALANCE SHEET

ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
1. Cash and Equivalents			25. Accounts Payable		
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom, Accounts Receivable			28. Customer Deposits		
b. Other Accounts Receivable			29. Current Mat. L/T Debt		
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom, Accounts Receivable			32. Income Taxes Accrued		
b. Other Accounts Receivable			33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities		
5. Interest and Dividends Receivable			35. Total Current Liabilities (25 thru 34)		
6. Material-Regulated			<b>LONG-TERM DEBT</b>		
7. Material-Nonregulated			36. Funded Debt-RUS Notes		
8. Prepayments			37. Funded Debt-RTB Notes		
9. Other Current Assets			38. Funded Debt-FFB Notes		
10. Total Current Assets (1 Thru 9)			39. Funded Debt-Other		
<b>NONCURRENT ASSETS</b>			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development			42. Reacquired Debt		
b. Nonrural Development			43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt		
b. Nonrural Development			46. Total Long-Term Debt (36 thru 45)		
13. Nonregulated Investments			<b>OTHER LIAB. &amp; DEF. CREDITS</b>		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities		
15. Deferred Charges			48. Other Deferred Credits		
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)			50. Total Other Liabilities and Deferred Credits (47 thru 49)		
<b>PLANT, PROPERTY, AND EQUIPMENT</b>			<b>EQUITY</b>		
18. Telecom, Plant-In-Service			51. Cap. Stock Outstand. & Subscribed		
19. Property Held for Future Use			52. Additional Paid-in-Capital		
20. Plant Under Construction			53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation			55. Other Capital		
23. Net Plant (18 thru 21 less 22)			56. Patronage Capital Credits		
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins		
			58. Total Equity (51 thru 57)		
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)		

Total Equity = % of Total Assets



<p>USDA-RUS</p> <p><b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b></p>		<p>BORROWER DESIGNATION</p> <p>NE0573</p>
<p>INSTRUCTIONS- See RUS Bulletin 1744-2</p>		<p>PERIOD ENDING</p> <p>December, 2014</p>
<p><b>PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS</b></p>		
ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues		
2. Network Access Services Revenues		
3. Long Distance Network Services Revenues		
4. Carrier Billing and Collection Revenues		
5. Miscellaneous Revenues		
6. Uncollectible Revenues		
7. Net Operating Revenues (1 thru 5 less 6)		
8. Plant Specific Operations Expense		
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)		
10. Depreciation Expense		
11. Amortization Expense		
12. Customer Operations Expense		
13. Corporate Operations Expense		
14. Total Operating Expenses (8 thru 13)		
15. Operating Income or Margins (7 less 14)		
16. Other Operating Income and Expenses		
17. State and Local Taxes		
18. Federal Income Taxes		
19. Other Taxes		
20. Total Operating Taxes (17+18+19)		
21. Net Operating Income or Margins (15+16-20)		
22. Interest on Funded Debt		
23. Interest Expense - Capital Leases		
24. Other Interest Expense		
25. Allowance for Funds Used During Construction		
26. Total Fixed Charges (22+23+24-25)		
27. Nonoperating Net Income		
28. Extraordinary Items		
29. Jurisdictional Differences		
30. Nonregulated Net Income		
31. Total Net Income or Margins (21+27+28+29+30-26)		
32. Total Taxes Based on Income		
33. Retained Earnings or Margins Beginning-of-Year		
34. Miscellaneous Credits Year-to-Date		
35. Dividends Declared (Common)		
36. Dividends Declared (Preferred)		
37. Other Debits Year-to-Date		
38. Transfers to Patronage Capital		
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]		
40. Patronage Capital Beginning-of-Year		
41. Transfers to Patronage Capital		
42. Patronage Capital Credits Retired		
43. Patronage Capital End-of-Year (40+41-42)		
44. Annual Debt Service Payments		
45. Cash Ratio [(14+20-10-11) / 7]		
46. Operating Accrual Ratio [(14+20+26) / 7]		
47. TIER [(31+26) / 26]		
48. DSCR [(31+26+10+11) / 44]		

**REDACTED - FOR PUBLIC INSPECTION**

USDA-RUS  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>  INSTRUCTIONS - See RUS Bulletin 1744-2						BORROWER DESIGNATION NE0573  PERIOD ENDED December, 2014	
<b>Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, &amp; HIGH SPEED DATA INFORMATION</b>							
	<b>1. RATES</b>		<b>2. SUBSCRIBERS (ACCESS LINES)</b>			<b>3. ROUTE MILES</b>	
EXCHANGE	B-1	R-1	BUSINESS	RESIDENTIAL	TOTAL	TOTAL (including fiber)	FIBER
	(a)	(b)	(a)	(b)	(c)	(a)	(b)
Falls City	■	■	■	■	■	■	■
Tri City	■	■	■	■	■	■	■
MobileWireless						■	
Route Mileage Outside Exchange Area						■	■
Total			■	■	■	■	■
No. Exchanges	■						

**REDACTED - FOR PUBLIC INSPECTION**

<b>USDA-RUS</b>  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>  <i>INSTRUCTIONS - See RUS Bulletin 1744-2</i>	BORROWER DESIGNATION NE0573  PERIOD ENDED December, 2014
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**Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION**

**4. BROADBAND SERVICE**

Details on Least Expensive Broadband Service								
EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Number Of Subscribers (c)	Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	Standalone/Pckg (f)	Type Of Technology (g)
Falls City								
Tri City								
Total								

# REDACTED - FOR PUBLIC INSPECTION

<b>USDA-RUS</b>  <b>OPERATING REPORT FOR</b> <b>TELECOMMUNICATIONS BORROWERS</b>	BORROWER DESIGNATION NE0573
	PERIOD ENDING December, 2014
INSTRUCTIONS- See RUS Bulletin 1744-2	

## PART D. SYSTEM DATA

1. No. Plant Employees	2. No. Other Employees	3. Square Miles Served	4. Access Lines per Square Mile	5. Subscribers per Route Mile
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## PART E. TOLL DATA

1. Study Area ID Code(s)  a. <span style="background-color: black; color: black;">REDACTED</span> b. c. d. e. f. g. h. i. j.	2. Types of Toll Settlements (Check one)  <table style="width: 100%;"> <tr> <td style="width: 40%;">Interstate:</td> <td style="width: 20%;"><input type="checkbox"/> Average Schedule</td> <td style="width: 40%;"><input checked="" type="checkbox"/> Cost Basis</td> </tr> <tr> <td>Intrastate:</td> <td><input type="checkbox"/> Average Schedule</td> <td><input checked="" type="checkbox"/> Cost Basis</td> </tr> </table>	Interstate:	<input type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis	Intrastate:	<input type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis
Interstate:	<input type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis					
Intrastate:	<input type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis					

## PART F. FUNDS INVESTED IN PLANT DURING YEAR

1. RUS, RTB, & FFB Loan Funds Expended	
2. Other Long-Term Loan Funds Expended	
3. Funds Expended Under RUS Interim Approval	
4. Other Short-Term Loan Funds Expended	
5. General Funds Expended (Other than Interim)	<span style="background-color: black; color: black;">REDACTED</span>
6. Salvaged Materials	
7. Contribution in Aid to Construction	
8. Gross Additions to Telecom. Plant (1 thru 7)	<span style="background-color: black; color: black;">REDACTED</span>

## PART G. INVESTMENTS IN AFFILIATED COMPANIES

INVESTMENTS	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year	Income/Loss This Year	Cumulative Investment To Date	Cumulative Income/Loss To Date	Current Balance
(a)	(b)	(c)	(d)	(e)	(f)
1. Investment in Affiliated Companies - Rural Development		<span style="background-color: black; color: black;">REDACTED</span>	<span style="background-color: black; color: black;">REDACTED</span>	<span style="background-color: black; color: black;">REDACTED</span>	<span style="background-color: black; color: black;">REDACTED</span>
2. Investment in Affiliated Companies - Nonrural Development					



<b>USDA-RUS</b>  <b>OPERATING REPORT FOR</b> <b>TELECOMMUNICATIONS BORROWERS</b>	BORROWER DESIGNATION NE0573  PERIOD ENDING December, 2014
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**PART H. CURRENT DEPRECIATION RATES**

Are corporation's depreciation rates approved by the regulatory authority with jurisdiction over the provision of telephone services? (Check one)

☒ YES      ☐ NO

EQUIPMENT CATEGORY	DEPRECIATION RATE
1. Land and support assets - Motor Vehicles	
2. Land and support assets - Aircraft	
3. Land and support assets - Special purpose vehicles	
4. Land and support assets - Garage and other work equipment	
5. Land and support assets - Buildings	
6. Land and support assets - Furniture and Office equipment	
7. Land and support assets - General purpose computers	
8. Central Office Switching - Digital	
9. Central Office Switching - Analog & Electro-mechanical	
10. Central Office Switching - Operator Systems	
11. Central Office Transmission - Radio Systems	
12. Central Office Transmission - Circuit equipment	
13. Information origination/termination - Station apparatus	
14. Information origination/termination - Customer premises wiring	
15. Information origination/termination - Large private branch exchanges	
16. Information origination/termination - Public telephone terminal equipment	
17. Information origination/termination - Other terminal equipment	
18. Cable and wire facilities - Poles	
19. Cable and wire facilities - Aerial cable - Metal	
20. Cable and wire facilities - Aerial cable - Fiber	
21. Cable and wire facilities - Underground cable - Metal	
22. Cable and wire facilities - Underground cable - Fiber	
23. Cable and wire facilities - Buried cable - Metal	
24. Cable and wire facilities - Buried cable - Fiber	
25. Cable and wire facilities - Conduit systems	
26. Cable and wire facilities - Other	



**REDACTED - FOR PUBLIC INSPECTION**

USDA-RUS  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>		BORROWER DESIGNATION NE0573
INSTRUCTIONS – See help in the online application.		PERIOD ENDED December, 2014
<b>PART I – STATEMENT OF CASH FLOWS</b>		
<b>1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)</b>		[REDACTED]
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>2. Net Income</b>		[REDACTED]
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>		
<b>3. Add: Depreciation</b>		[REDACTED]
<b>4. Add: Amortization</b>		[REDACTED]
<b>5. Other (Explain)</b> [REDACTED]		[REDACTED]
<i>Changes in Operating Assets and Liabilities</i>		
<b>6. Decrease/(Increase) in Accounts Receivable</b>		[REDACTED]
<b>7. Decrease/(Increase) in Materials and Inventory</b>		[REDACTED]
<b>8. Decrease/(Increase) in Prepayments and Deferred Charges</b>		[REDACTED]
<b>9. Decrease/(Increase) in Other Current Assets</b>		[REDACTED]
<b>10. Increase/(Decrease) in Accounts Payable</b>		[REDACTED]
<b>11. Increase/(Decrease) in Advance Billings &amp; Payments</b>		[REDACTED]
<b>12. Increase/(Decrease) in Other Current Liabilities</b>		[REDACTED]
<b>13. Net Cash Provided/(Used) by Operations</b>		[REDACTED]
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>14. Decrease/(Increase) in Notes Receivable</b>		[REDACTED]
<b>15. Increase/(Decrease) in Notes Payable</b>		[REDACTED]
<b>16. Increase/(Decrease) in Customer Deposits</b>		[REDACTED]
<b>17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)</b>		[REDACTED]
<b>18. Increase/(Decrease) in Other Liabilities &amp; Deferred Credits</b>		[REDACTED]
<b>19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates &amp; Other Capital</b>		[REDACTED]
<b>20. Less: Payment of Dividends</b>		[REDACTED]
<b>21. Less: Patronage Capital Credits Retired</b>		[REDACTED]
<b>22. Other (Explain)</b> [REDACTED]		[REDACTED]
<b>23. Net Cash Provided/(Used) by Financing Activities</b>		[REDACTED]
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>24. Net Capital Expenditures (Property, Plant &amp; Equipment)</b>		[REDACTED]
<b>25. Other Long-Term Investments</b>		[REDACTED]
<b>26. Other Noncurrent Assets &amp; Jurisdictional Differences</b>		[REDACTED]
<b>27. Other (Explain)</b> [REDACTED]		[REDACTED]
<b>28. Net Cash Provided/(Used) by Investing Activities</b>		[REDACTED]
<b>29. Net Increase/(Decrease) in Cash</b>		[REDACTED]
<b>30. Ending Cash</b>		[REDACTED]

Revision Date 2010

**REDACTED - FOR PUBLIC INSPECTION**

<p>USDA-RUS</p> <p><b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b></p>	<p>BORROWER DESIGNATION</p> <p>NE0573</p>
<p>INSTRUCTIONS - See RUS Bulletin 1744-2</p>	<p>PERIOD ENDED</p> <p>December, 2014</p>
<p><b>NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b></p>	

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USDA-RUS  OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION  NE0573
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2014
CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	

Received & inspected

JUN 29 2015

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**Title 47 §54.313(a)(1) Progress Report**

Company Name: Southeast Nebraska Communications, Inc.

Company Headquarters: Falls City, NE

**Narrative**

Pursuant to FCC USF/ICC Transformation Order, rate of return carriers were required to file five year plans consistent with Title 47 Section 54.202(a)(1)(ii) in 2014 and are required to file annual progress reports thereafter consistent with Title 47 Section 54.313(a)(1). The Southeast Nebraska Communications, Inc. (SNC) service areas are the [REDACTED] and [REDACTED] exchanges located in the southeast corner of Nebraska.

**Maps**

Detailed maps are included as progress towards plan goals was made to date in 2015.

**Universal Service Support Received**

For the year 2014, SNC received the following Universal Service Support:

High Cost Loop Support	[REDACTED]
Interstate Common Line Support	[REDACTED]
Safety Net Additive	[REDACTED]
CAF-ICC	[REDACTED]

For year to-date (four months) 2015, SNC has received the following Universal Service Support:

High Cost Loop Support	[REDACTED]
Interstate Common Line Support	[REDACTED]
Safety Net Additive	[REDACTED]
CAF-ICC	[REDACTED]

**Expenditures for the Provision, Maintenance, and Upgrading of Facilities and Services Supported by Federal Universal Service Funding:**

Plant Specific Expense	[REDACTED]
Plant Nonspecific Operations Expense	[REDACTED]
Depreciation Expense	[REDACTED]
Customer Operations Expense	[REDACTED]
Corporate Operations Expense	[REDACTED]
Total Operating Expenses	[REDACTED]
Net Capital Expenditures	[REDACTED]

Title 47 §54.313(a)(1) Progress Report

How Universal Service Support Was Used to Improve Service Quality, Coverage, or Capacity

As Universal Service Funds are allocated dependent on past plant investment, the primary planned use of such funds is cost of money, capital recovery, income and property tax payments, and maintenance in support of this previously constructed plant.

This past investment included [REDACTED] bringing broadband service to [REDACTED] of the [REDACTED] and [REDACTED] exchange service areas.

These projects improved service quality by [REDACTED]  
[REDACTED]

These projects improved service coverage by extending higher broadband speeds to more end users regardless of their distance from the central office. Rural end users now have access to same broadband speeds as the end users in town.

These projects improved service capacity by providing to all end users within the [REDACTED] and [REDACTED] access to [REDACTED]

In addition to past investments in broadband plant, SNC also has completed the following specific improvements or upgrades to date in calendar year 2015 pursuant to the previously filed 5-year plan:

- [REDACTED]  
[REDACTED]  
and are approximately [REDACTED] completed.

This project did not improve service quality.

This project did not improve service coverage.

This project improved service capacity so far by replacing EOL (end of life) equipment that has increased switch fabric capacity, data forwarding capacity, and packet routing performance all which result improved broadband speeds in and out of SNC's network.

For the amount of Universal Support Received stated above, please note that many of the dollars spent would apply to multiple categories so the sum of the categorized dollars below may likely exceed the amount shown above. However, if one assumes that depreciation expense for past investment was used to improve service coverage and service capacity and all other expenses were used to improve service quality in 2014, then it is estimated that the following percentages applied to each of the following in 2014 and are expected to be reasonably comparable in 2015.

The amount of expenses to allocate USF to improve service quality was [REDACTED] or [REDACTED]

The amount of expenses to allocate USF to improve service coverage was [REDACTED] or [REDACTED]

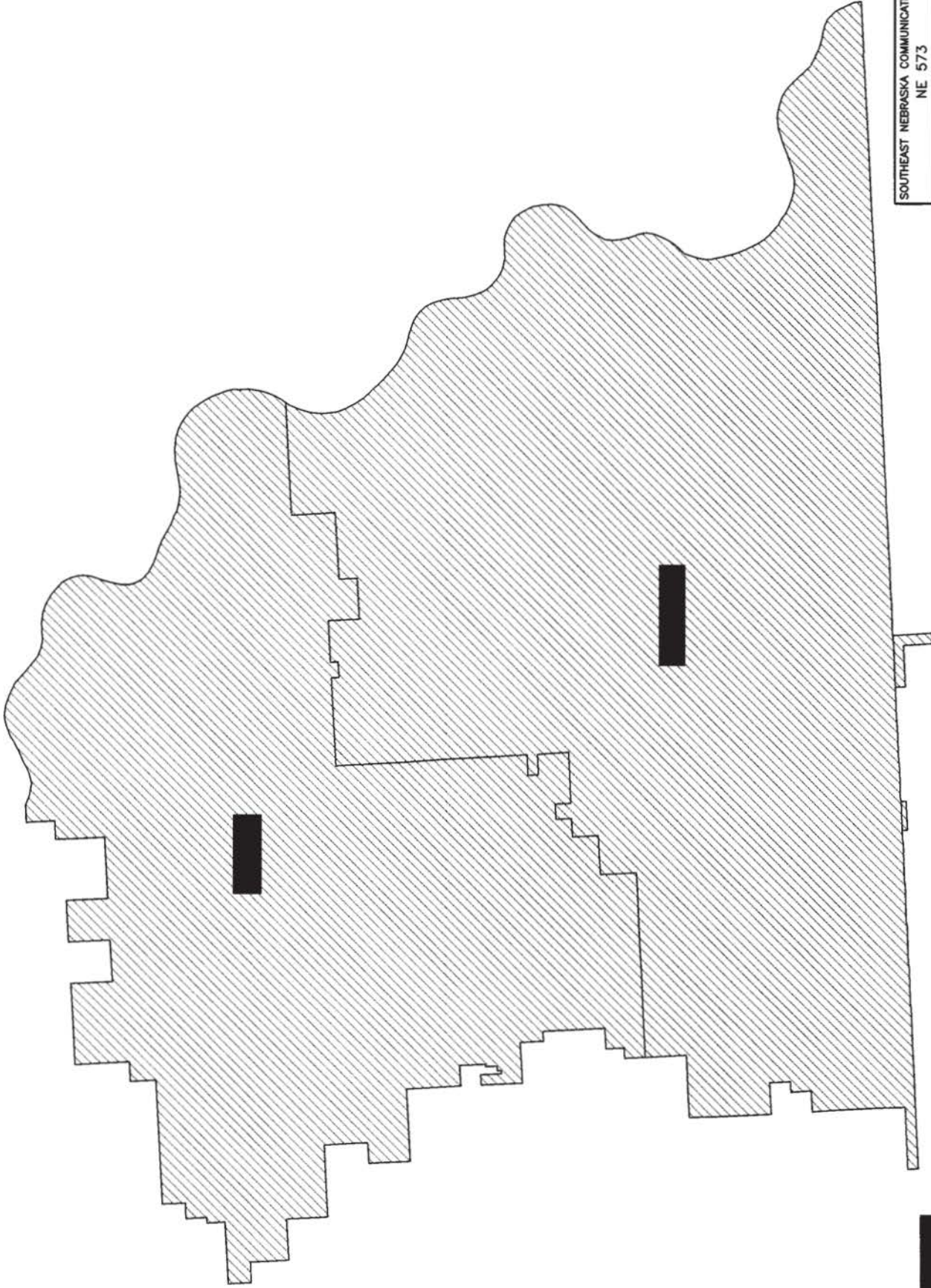
The amount of expenses to allocate USF to improve service capacity was [REDACTED] or [REDACTED]

**Title 47 §54.313(a)(1) Progress Report**

**Explanation Regarding Any Network Improvement Targets Not Fulfilled in the Prior Calendar Year**

As noted above, this requirement is waived in this 2015 progress report as the prior calendar year, 2014, was not included in the 5-year plan and therefore had no associated network improvement targets.





SOUTHEAST NEBRASKA COMMUNICATIONS, INC.  
NE 573

FIVE YEAR PLAN  
PROGRESS REPORT

BY: J. L. DUNN	DATE: 6-21-18
CHECKED: [Signature]	APPROVED: [Signature]



Received & inspected

JUN 29 2015

FCC Mail Room

**REDACTED – FOR PUBLIC INSPECTION**

**Title 47 §54.313(a)(1) Progress Report**

Company Name: Southeast Nebraska Communications, Inc.

Company Headquarters: Falls City, NE

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High Cost Loop Support	[REDACTED]
Interstate Common Line Support	[REDACTED]
Safety Net Additive	[REDACTED]
CAF-ICC	[REDACTED]

**Expenditures for the Provision, Maintenance, and Upgrading of Facilities and Services**

**Supported by Federal Universal Service Funding:**

Plant Specific Expense	[REDACTED]
Plant Nonspecific Operations Expense	[REDACTED]
Depreciation Expense	[REDACTED]
Customer Operations Expense	[REDACTED]
Corporate Operations Expense	[REDACTED]
Total Operating Expenses	[REDACTED]
Net Capital Expenditures	[REDACTED]

Title 47 §54.313(a)(1) Progress Report

How Universal Service Support Was Used to Improve Service Quality, Coverage, or Capacity

As Universal Service Funds are allocated dependent on past plant investment, the primary planned use of such funds is cost of money, capital recovery, income and property tax payments, and maintenance in support of this previously constructed plant.

This past investment included [REDACTED] bringing broadband service to [REDACTED] of the [REDACTED] and [REDACTED] exchange service areas.

These projects improved service quality by [REDACTED]  
[REDACTED]

These projects improved service coverage by extending higher broadband speeds to more end users regardless of their distance from the central office. Rural end users now have access to same broadband speeds as the end users in town.

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[REDACTED]  
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The amount of expenses to allocate USF to improve service quality was [REDACTED] or [REDACTED]

The amount of expenses to allocate USF to improve service coverage was [REDACTED] or [REDACTED]

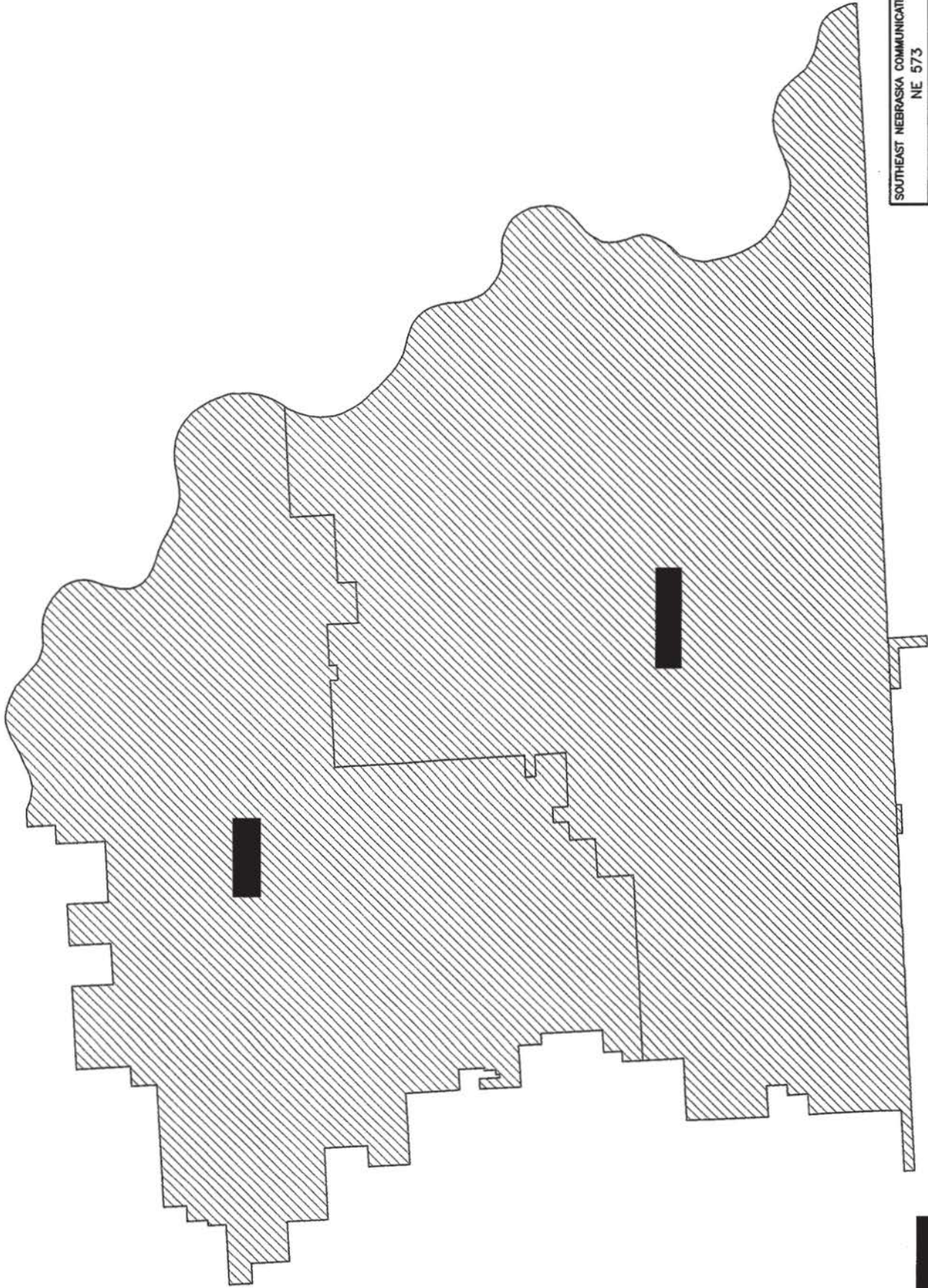
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**Title 47 §54.313(a)(1) Progress Report**

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SOUTHEAST NEBRASKA COMMUNICATIONS, INC.  
NE 573

FIVE YEAR PLAN  
PROGRESS REPORT

DATE	8-21-18
CHECKED	AM
APPROVED	AM
DRAWN	COLUMBUS, NEBRASKA

☐ Exchange Boundary

Received & Inspected

JUN 29 2015

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**REDACTED – FOR PUBLIC INSPECTION**

**Title 47 §54.313(a)(1) Progress Report**

Company Name: Southeast Nebraska Communications, Inc.

Company Headquarters: Falls City, NE

**Narrative**

Pursuant to FCC USF/ICC Transformation Order, rate of return carriers were required to file five year plans consistent with Title 47 Section 54.202(a)(1)(ii) in 2014 and are required to file annual progress reports thereafter consistent with Title 47 Section 54.313(a)(1). The Southeast Nebraska Communications, Inc. (SNC) service areas are the [REDACTED] and [REDACTED] exchanges located in the southeast corner of Nebraska.

**Maps**

Detailed maps are included as progress towards plan goals was made to date in 2015.

**Universal Service Support Received**

For the year 2014, SNC received the following Universal Service Support:

High Cost Loop Support	[REDACTED]
Interstate Common Line Support	[REDACTED]
Safety Net Additive	[REDACTED]
CAF-ICC	[REDACTED]

For year to-date (four months) 2015, SNC has received the following Universal Service Support:

High Cost Loop Support	[REDACTED]
Interstate Common Line Support	[REDACTED]
Safety Net Additive	[REDACTED]
CAF-ICC	[REDACTED]

**Expenditures for the Provision, Maintenance, and Upgrading of Facilities and Services**

**Supported by Federal Universal Service Funding:**

Plant Specific Expense	[REDACTED]
Plant Nonspecific Operations Expense	[REDACTED]
Depreciation Expense	[REDACTED]
Customer Operations Expense	[REDACTED]
Corporate Operations Expense	[REDACTED]
Total Operating Expenses	[REDACTED]
Net Capital Expenditures	[REDACTED]



Title 47 §54.313(a)(1) Progress Report

**How Universal Service Support Was Used to Improve Service Quality, Coverage, or Capacity**

As Universal Service Funds are allocated dependent on past plant investment, the primary planned use of such funds is cost of money, capital recovery, income and property tax payments, and maintenance in support of this previously constructed plant.

This past investment included [REDACTED] bringing broadband service to [REDACTED] of the [REDACTED] and [REDACTED] exchange service areas.

These projects improved service quality by [REDACTED]  
[REDACTED]

These projects improved service coverage by extending higher broadband speeds to more end users regardless of their distance from the central office. Rural end users now have access to same broadband speeds as the end users in town.

These projects improved service capacity by providing to all end users within the [REDACTED] and [REDACTED] access to [REDACTED]

In addition to past investments in broadband plant, SNC also has completed the following specific improvements or upgrades to date in calendar year 2015 pursuant to the previously filed 5-year plan:

- [REDACTED]  
[REDACTED]  
and are approximately [REDACTED] completed.

This project did not improve service quality.

This project did not improve service coverage.

This project improved service capacity so far by replacing EOL (end of life) equipment that has increased switch fabric capacity, data forwarding capacity, and packet routing performance all which result improved broadband speeds in and out of SNC's network.

For the amount of Universal Support Received stated above, please note that many of the dollars spent would apply to multiple categories so the sum of the categorized dollars below may likely exceed the amount shown above. However, if one assumes that depreciation expense for past investment was used to improve service coverage and service capacity and all other expenses were used to improve service quality in 2014, then it is estimated that the following percentages applied to each of the following in 2014 and are expected to be reasonably comparable in 2015.

The amount of expenses to allocate USF to improve service quality was [REDACTED] or [REDACTED]

The amount of expenses to allocate USF to improve service coverage was [REDACTED] or [REDACTED]

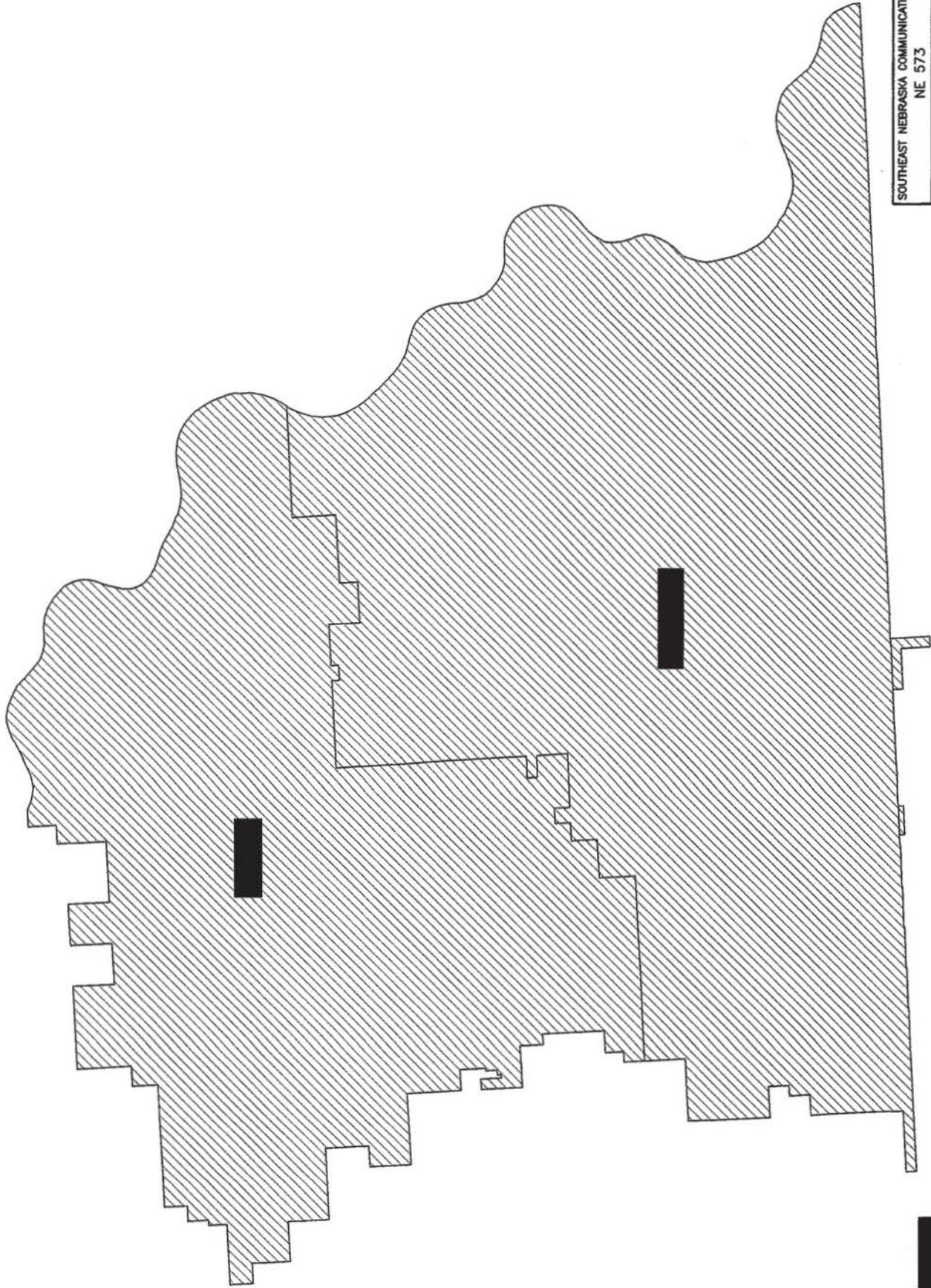
The amount of expenses to allocate USF to improve service capacity was [REDACTED] or [REDACTED]



**Title 47 §54.313(a)(1) Progress Report**

**Explanation Regarding Any Network Improvement Targets Not Fulfilled in the Prior Calendar Year**

As noted above, this requirement is waived in this 2015 progress report as the prior calendar year, 2014, was not included in the 5-year plan and therefore had no associated network improvement targets.



SOUTHEAST NEBRASKA COMMUNICATIONS, INC.  
NE 573

FIVE YEAR PLAN  
PROGRESS REPORT

BY: INC.	DATE
DRAWN	APPROVED
CHECKED	DATE

COLUMBUS, NEBRASKA  
9-21-15

☐ Exchange Boundary